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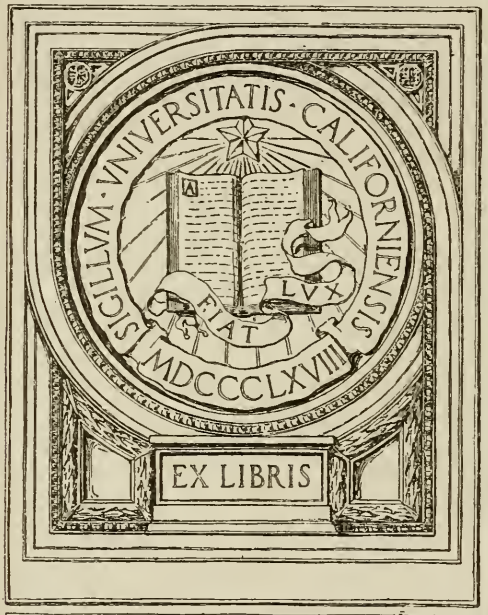
THE MORRIS PLAN OF INDUSTRIAL LOANS AND INVESTMENTS

THE MORRIS PLAN

INDUSTRIAL FINANCE CORPORATION
NEW YORK

GIFT OF
Industrial Finance Corp.



THE KUHN-LOEB BUILDING, 52 WILLIAM STREET, NEW YORK

The Sixth Floor is the home office of the Industrial Finance Corporation and The Morris Plan Company of New York

THE MORRIS PLAN OF INDUSTRIAL LOANS AND INVESTMENTS

"IS not commercial credit based primarily upon money or property?" asked counsel to the Pujo Committee of the late J. Pierpont Morgan. And Mr. Morgan answered: "No sir; the first thing is character."

UNIV. OF CALIFORNIA

OWNED AND DEVELOPED BY
INDUSTRIAL FINANCE CORPORATION
52 WILLIAM STREET, NEW YORK, N. Y.

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TABLE *of* CONTENTS

	Page
Officers and Directors of the Industrial Finance Corporation	4
Brief Statement of The Morris Plan	7
Purposes of the Industrial Finance Corporation	12
Foreign Industrial Banking Systems	13
Conditions in America	16
The Loanshark Evil	18
Mistaken Charity	19
History of The Morris Plan	21
The Pioneer Companies:	
Norfolk, Va.	23
Atlanta, Ga.	25
Baltimore, Md.	27
Washington, D. C.	29
General Development	30
List of Companies Operating The Morris Plan	31
The Industrial Finance Corporation	31
Possible Development Proposed by the Industrial Finance Corporation	35
Industrial Insurance	35
Rediscounting Arrangements	35
Investments in Small Denominations	36
How Companies Are Organized	36
Equipment Provided	40
Earnings	40
How Loans Are Made	42
Additional Resources:	
Paid-up ("Class B") Certificates of Investment	45
Instalment ("Class C") Certificates of Investment	45
Losses	46
From the Borrower's Viewpoint	49
What the Borrower Pays	51
Features that Attract the Conservative Investor	56
The Morris Plan Company of New York	59
Reports and Resolutions of Public Bodies	66
Striking Commendations by the Press	66
Direct Testimony	71
Directors of Morris Plan Companies	72

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THE MORRIS PLAN OF INDUSTRIAL LOANS AND INVESTMENTS

FOURTEEN years ago Arthur J. Morris, of Norfolk, Va., appreciating the lack of banking facilities in this country, for persons of moderate means, determined to devise a plan to meet this economic need. In Europe industrial banking had been in successful operation for half a century. The Bank of France in 1913 discounted 30,041,247 loans amounting to $4,001,410,800. Of these loans over half were for sums less than $20. Six hundred and ninety People's Banks in Italy in 1908 discounted over 2,500,000 bills of an aggregate value of about $329,212,000. In Germany, in 1912, the combined business of the personal credit societies and industrial banks and personal coöperative credit societies approached $5,000,000,000.

Mr. Morris availed of European experience, adapted certain features of foreign systems to existing conditions in the United States, and developed a plan based upon the banking principles of this country. The theoretical plan, having been perfected, was first applied in actual practice in Norfolk, Va., in 1910, where a company was formed with a capital of $20,000. The success of this operation led to the organization of companies to operate The Morris Plan in Atlanta, Ga., Washington,

D. C., Baltimore, Md., St. Louis, Mo., Philadelphia, Pa., Denver, Colo., Columbia, S. C., Charleston, S. C., Lynchburg, Va., Richmond, Va., Memphis, Tenn., Springfield, Mass., Portsmouth, Va., and more recently Nashville, Tenn. On October 31, 1914, they had made 49,500 loans aggregating $6,100,000, the average loan amounting to $123. A natural evolution brought about the organization of the Industrial Finance Corporation, national in scope, to undertake the broader development of this system of industrial finance throughout the country, on a business basis, with authorized capital of $7,000,000, of which $1,500,000 has been subscribed.

The Corporation owns stock in the various operating companies, averaging twenty per cent. of their capital. On its organization the Corporation became the owner of The Morris Plan and all copyrighted expressions necessary to its operation. Its business is to assist in the organization of, to install, and to exercise a coöperative supervision over, the different companies which may be formed to operate The Morris Plan, with the purpose of preserving the integrity of the system for the benefit of all. It sells the right to operate The Morris Plan, charges a fee for organization and installation of companies and for the instruction of the managing force in the operation of the plan, and becomes a minority stockholder in each corporation organized under its auspices.

A concrete example of the operation of The Morris Plan follows: A salaried employee faces an immediate need for $100 cash—due, perhaps, to a birth, illness, or death in his family. He applies for a loan at several banks of discount and is naturally told by the officers of each that they are not engaged in the small loan

business. They note that he is not a depositor and know full well that his financial condition will probably not be improved sufficiently in three or six months to warrant the payment of his note at maturity. This refusal of accommodation does not tend to improve his peace of mind or the quality of his citizenship. He cannot borrow at a savings bank. Usually he approaches a friend and enters into an unbusinesslike arrangement, or he applies to a "loanshark" with the inevitable result.

If he makes his needs known to a Morris Plan institution, he is told by the Manager that he is welcome, and that he need not feel beholden to the company, because it is its business to afford him the accommodation he seeks. The applicant finds his good character to be an asset, since The Morris Plan operates on the principle that "character is the basis of credit." He makes formal application for a loan of $100 and secures two endorsers of good character on his note. When his application is investigated, he is found to have a fixed income, enabling him to pay therefrom, in easy instalments, his obligation when due. He and his endorsers sign a note for $100. He receives that amount, less the legal rate of interest for one year. Just as the borrower of $100,000 at a commercial bank is required to maintain a balance of from $20,000 to $25,000 on deposit, without interest, during the term of the discount, so the borrower on The Morris Plan is required to make weekly payments in the purchase of a certificate, which may, at his option, operate to liquidate his liability to the company. At the end of fifty weeks these payments aggregate the amount of the loan. His note falls due two weeks later and his accumulated funds may be applied to its payment. Clear of debt,

he leaves the institution a self-respecting citizen. It has become his bank.

During the operation he has realized how easily he laid aside $2 a week, so that frequently he continues these payments, which may be applied to the purchase of an investment certificate issued by the company. On this certificate, which, when paid up, bears interest at five per cent., he may borrow without endorsement. By these operations he has learned thrift, and probably for the first time has become a property holder.

The variations of The Morris Plan render it applicable to almost all conditions. It results, as has been demonstrated, in large commercial advantage to any community. It has been used practically as a collection agent, the creditors becoming endorsers in effecting payment of a debt which could not otherwise be met. It is of economic value to large corporations, the efficiency of whose employees has been impaired by the burden of debt. It enables insurance premiums, taxes, and other fixed requirements to be met with ease. It is a great relief to commercial banks, enabling them to meet the needs of many worthy applicants for small loans, by referring them to a reputable institution especially designed for the purpose. It results in the contentment of an hitherto dissatisfied element in the community.

The patron of The Morris Plan company is not a recipient of charity. He has the satisfaction of knowing that his transactions are on a strictly business basis, entailing no loss of self-respect. The Morris Plan helps people to help themselves.

It may also be observed that on The Morris Plan the borrower gives no chattel mortgage on household effects. He secures his money, moreover, at a rate

lower than the minimum chattel-loan companies charge.

A Morris Plan company makes no investments except in loans. Its profits are made by loaning its capital at the legal rate of interest, reloaning the aggregate funds resulting from interest paid in advance on loans, and weekly payments on, and proceeds from the sale of, investment certificates. Operating with maximum efficiency, a company when well established should loan every year two and one-half times the amount of its capital and of such funds as result from the sale of investment certificates, at a cost of operation not to exceed three per cent. of the loans made. It should earn, after deducting operating expense, ten per cent. on these resources consisting of capital and proceeds from the sale of investment certificates. The interest paid on these certificates should be deducted from the income resulting from loaning the proceeds of their sale.

PROFITS AND LOSSES

Twenty-two companies operating The Morris Plan on May 31, 1915, had made 70,677 loans, averaging $124.20 and aggregating $8,778,262.*

The number of loans outstanding on April 30, 1915, was 28,457, the total amount of money on loan at that date was $3,575,305, and the average amount of money per loan was $125.64.

The net profits of the companies operating during the first eight months of the calendar year 1914 were at the rate of 7.8 per cent. on the capital employed. These profits do not include unearned discounts. They record the success of new companies, a number of which had been in operation only a little more than one year.

*May earnings of three companies estimated.

PURPOSES OF THE INDUSTRIAL FINANCE CORPORATION AS STATED IN ITS CERTIFICATE OF INCORPORATION

A new development in American finance may be said to have begun with the incorporation in Virginia, on February 16, 1914, of the Industrial Finance Corporation. The purpose for which this Corporation was organized is to further, throughout the Union, the organization of local companies to operate The Morris Plan, in order:

> To provide for the worthy wage-earner, where the need of the loan is apparent, opportunity for borrowing small sums of money without the necessity of submitting to the extortion of unscrupulous money-lenders, but at rates which are reasonable to the borrower and yet fairly remunerative to capital;
>
> To enable the wage-earner to secure such moneys largely upon the faith of endorsements and guarantees, and without the often embarrassing and burdensome requirements of a pledge of chattels as collateral security for repayment; and also,
>
> To provide opportunity for the systematic investment of small savings, bearing a higher rate of interest than is now feasible, and affording a basis for the securing of credit, and thus to encourage thrift.

In the judgment of those responsible for the organization of this Corporation the accomplishment of these purposes will incidentally put an end to much dissatisfaction concerning financial and industrial conditions, with its resultant agitation, and foster a more intelligent understanding between Capital and Labor.

The operation of The Morris Plan results in wide extension of borrowing facilities to people of small means, and a similar extension of facilities for the investment of small funds that will insure a remunerative return. It reaches a field hitherto untouched by financial institutions.

ENTRANCE HALL—INDUSTRIAL FINANCE CORPORATION

Although the Industrial Finance Corporation is a new organization, created for the purpose of the national development of these facilities, The Morris Plan is not new. It had its beginning fourteen years ago and has been in successful operation for nearly five years.

Some of the ablest financiers of America have approved it; in its operation it has proved a godsend to thousands, and its extension will decidedly ameliorate the financial condition of numberless wage-earners, salaried employees, small merchants, and other people whose borrowing needs are as valid as those of their more prosperous neighbors.

FOREIGN INDUSTRIAL BANKING SYSTEMS

Sixty-five years ago, whether in Europe or America, the man without money was without credit. Now, the honest and industrious European of small means

to whom credit, convertible into cash, is inaccessible is the exception. For this radical improvement in his condition he is indebted primarily to the German publicist, Herman Schulze of Delitzsch, Saxony, whose writings, speeches, and practical activities made him the pioneer in the movement for popular banking in industrial communities that has had such an amazing growth in the German Empire and elsewhere.

GERMANY

Germany may be regarded as the home of industrial banking. One thousand and fifty-one of the Schulze-Delitzsch banks in Germany in the year 1910 loaned $1,106,165,207. This does not include any of the banks of the Raiffeisen system, which are altogether coöperative and which make loans, not only on personal credit, but on land mortgage as well. Of the Raiffeisen banks there were 14,993 on January 1, 1910. The loans by those institutions outstanding on that date amounted to $452,749,961. The United States Commission which recently made an investigation of rural credits in Europe estimates the number of Schulze-Delitzsch and other coöperative banks in Germany to be 17,000, doing a total business of nearly $5,000,000,000 a year.

ITALY

In Italy in 1908, 690 institutions known as People's Banks had outstanding loans amounting to $170,091,-946. During the year they had discounted over 2,500,-000 bills of an aggregate value of about $329,212,000, and they held investments in Government and other securities to the extent of $114,152,800. Losses are infinitesimal. The proportion of loss in the People's Bank of Bologna is about one one-hundredth of one per cent.

FRANCE

In France the small loans of the Bank of France made annually amount to hundreds of millions. Out of 9,056,424 loans made by the Bank in Paris in 1913, over half were for sums less than $20, and nearly one-third were for amounts less than $10.

Other European countries have provided similar facilities for their small borrowers and savers. The only important countries in which no concerted efforts had been made to develop a system of industrial finance based upon personal credit, prior to the advent of The Morris Plan, were the United States and England. The figures quoted above give one an idea of what it means to the small but self-respecting shop-keeper, the man or woman on limited salary, the trusted clerk, the mechanic, the laborer, or the domestic servant, to have

DIRECTORS' ROOM—INDUSTRIAL FINANCE CORPORATION

access to loanable funds, when it is necessary to borrow, on terms as reasonable as those on which the merchant or man of property borrows at a commercial bank or trust company.

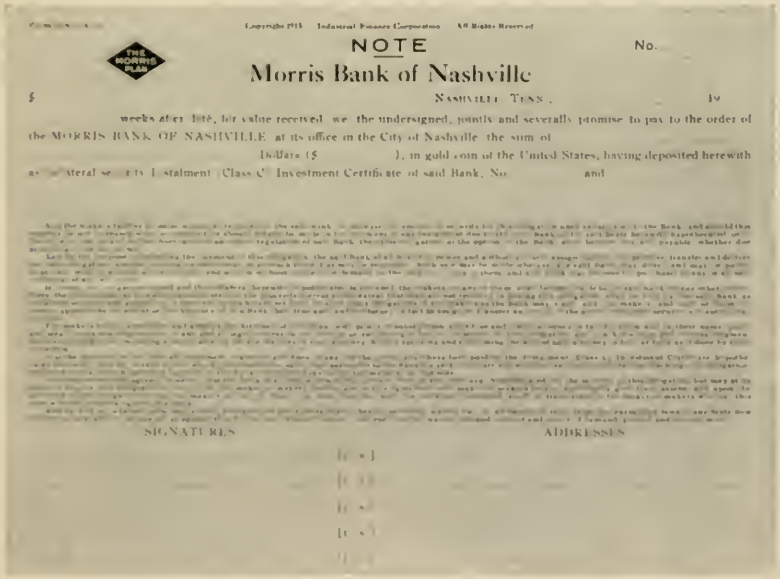
CONDITIONS IN AMERICA

Here in America we have been too busy with big things to pay much heed to the individually small ones. Our institutions, fully occupied in financing the development of larger enterprises, have overlooked the fact that their resources might be loaned in small units quite as profitably as in large ones, and even more safely. It is difficult at first fully to appreciate the possibilities of this development, and it is largely by comprehending Europe's experience and analyzing the humanitarian and financial results already secured in this country that one can reach a true realization of the import of this national undertaking.

Not until twenty years ago could an American of small means, without banking connections, borrow money at reasonable rates. Since then, if he happened to live in New York City, he has been able to obtain financial assistance from The Provident Loan Society, which was founded for the purpose of lending money on pawns. By pledging a watch, a ring, a piece of silverware, or other article of value, he could procure a small loan to tide him over an emergency, at the rate of one per cent. a month. Before this Society entered the field, the victim of circumstances, who was compelled to pawn his treasure, had to pay a very high rate of interest, and not infrequently lost the article pledged when sold at auction because of his inability to redeem it. The success of The Provident Loan Society shows how great was the need of the relief it has afforded.

Its loans, averaging less than $33.50, in the year 1914 reached nearly $19,000,000. The fact that it pays interest at six per cent. on its certificates of indebtedness and has accumulated a large surplus is substantial evidence of what can be done in the field of sociological effort, if developed on a sound foundation and conducted on a strictly business basis.

The work of The Provident Loan Society of New York has been supplemented by that of various chattel loan societies, which, as their name indicates, make loans on household effects and security of the same general character. The operations of these societies are either wholly or semi-philanthropic, their interest charges ranging from two per cent. to three per cent. a month. Undoubtedly they have accomplished much, but the volume of their business is limited, and it is believed they do not touch the larger field where usury continues to thrive.



NOTE

No.

Morris Bank of Nashville

NASHVILLE, TENN.

SIGNATURES

ADDRESSES

Illustration used in article appearing in *The American Magazine* of February, 1914, entitled "A Poor Man's Bank—How Atlanta Is Fighting the Loan Sharks by Lending Money on the Security of Labor"

THE LOANSHARK EVIL

The borrower who needed more than a few dollars, but was without banking facilities, and yet whose status was above that of the average pawn customer, usually had recourse to purely commercial money-lenders, who exacted a mortgage on household goods or an assignment of salary. People offering these avenues of credit depend more upon threats of exposure than upon legal security and their usurious devices for personal profit result in the accumulation of expenses equivalent to an interest charge varying from 40 to 500 per cent. per annum. These individuals, plying their nefarious calling either as persons or corporations, are popularly known as loansharks.

Fifteen years ago the light of publicity had not fallen on the loanshark evil. To-day as a result of the continuous efforts of the press, it has become a subject of general knowledge and interest. The leading news-

papers of the country have brought vividly before the thoughtful and considerate the injurious effects of the loanshark's operations.

The works of Henry W. Wolff, of London, England, entitled "People's Banks," "Coöperative Credit Societies," and "Village Banks," teeming with facts and statistics concerning this important subject, show how Europe has solved the problem. A similar solution is as necessary in America to-day as it was in Europe over half a century ago.

Though the exactions of the loanshark are deplorable, and his practices are the subject of legislative prohibition, yet he is a necessary evil in any community where no proper substitute exists. The savings bank is invaluable, fostering thrift and conserving its fruits, but its patrons, wanting cash for legitimate use, can obtain relief only by withdrawing their deposits, in whole or in part, thereby sacrificing interest and parting with the result of years of self-denial. More often it happens that those whose immediate need is great, have no savings account to withdraw.

MISTAKEN CHARITY

It is futile to maintain that any financial institution should be conducted as a charity. It is unfair that any one who has an economic need of money, and can furnish safe security therefor, should be made to feel that he is an object of charity or the favored protégé of an institution whose avowed purpose "rings with the chime of charity," and which is heralded as a further example of what the rich are gratuitously giving to the poor. The majority of small borrowers and small investors should not, and will not, be placed in this category.

CONFERENCE ROOM—INDUSTRIAL FINANCE CORPORATION

In which are displayed photographs of officers and offices of the companies operating The Morris Plan

There are many who hold that poverty should be subsidized, and that the only way to aid the needy is to give them something. Yet, with industrial classes as competent and as productive as ours, and with a demand for labor that grows greater and greater every year, to say nothing of the many immunities with which these classes are favored, no greater mistake could be made than to maintain that industrial problems can be solved by this pauperizing policy.

What is needed in this country is not the subsidizing of individuals, but the recognition of industry as a basis of credit. This should take the form of affording the industrial classes proper opportunities to help themselves. Helping people to help themselves is scientific philanthropy. Helping people without giving them a

chance to help themselves is unscientific charity. In order to help himself in time of need, a man's first requirement is an institution where financial assistance can be obtained on conditions requiring no sacrifice of self-respect—an institution conducted on safe and sound business principles, which make labor an asset and capitalize character, industry, and frugality. The Morris Plan provides such an institution.

HISTORY OF THE MORRIS PLAN

Over fourteen years ago Arthur J. Morris, of the law firm of Morris, Garnett & Cotten, of Norfolk, Va., became impressed with the fact that persons of small means in America—the artisan, the laborer, and the clerk, constituting three-fourths of the entire population—although able to secure credit in merchandise on satisfactory terms, were almost entirely unable to procure credit in money except from usurious money-lenders. Mr. Morris determined to devise a plan that would meet this economic need. During several years spent in study and research it became evident that the United States, usually so advanced in business, was behind the nations of continental Europe in developing the field of industrial finance. European example and experience furnished an excellent basis for a system of industrial loans and investments that would supply American needs.

The Morris Plan is an adaptation of the details of the different foreign systems to the fundamental principles of American banking. On the completion of the plan it was determined to answer once and for all certain questions relating to its adaptability before its general development should be undertaken. These questions were as follows:

NORFOLK COMPANY'S OFFICE

Can a financial institution loan safely on character supported by earning power?

Can such an institution determine, with reasonable safety and accuracy, the amount it should loan by relying largely upon the applicant's annual income?

Can the company's favorable decision on the two foregoing questions be underwritten by two endorsers satisfactory to the loaning company, and can the borrower obtain the signatures of such endorsers?

If these principles can be satisfactorily determined, is there a need for such a business?

If so, is it sufficiently profitable to justify the investment of capital for its development?

Since these questions could be solved only by actual practice, it was determined to organize the Fidelity Savings & Trust Company, of Norfolk, to demonstrate the feasibility of the plan.

THE PIONEER MORRIS PLAN COMPANIES

NORFOLK

This Company began business in March, 1910, with a paid in capital of $20,000. It loaned, the first year, $45,400 in amounts averaging $140 each. At the end of the second year it had loaned over $130,000 and had paid its first dividend of six per cent., after setting aside a surplus. It has paid three annual dividends of six per cent., that for the year 1913 being at the rate of six per cent. on its book value, which amounted to nine per cent. on its capital, as it had accumulated a surplus of fifty per cent. On January 1, 1914, its capital was doubled, and the new issue of stock was immediately subscribed for, without public offering, at the rate of $150 per share. The company's stock has since sold as high as $180 per share, and there has been a continuous increase in volume of business and earning power.

From its organization to June 30, 1915, this Company had made 7,122 loans amounting in the aggregate to $915,390.

W. WOODS WHITE

PRESIDENT OF THE ATLANTA COMPANY

Pioneer student and antagonist of the Loanshark Evil in America, who has demonstrated The Morris Plan as an effective remedy

Before it had been in operation for a whole year at Norfolk, The Morris Plan was presented to Mr. W. Woods White, of Atlanta, Ga., who had been fighting the loansharks for twenty years and had made a careful study of every remedy for this evil. He at once realized its value. The Atlanta Loan and Saving Company, organized with a capital of $50,000, began business in June, 1911. In November of the same year the capital was increased to $75,000. The report of Mr. White, the President of the Company, at the end of its first year is replete with human interest:

> During our first year we made 1,155 loans amounting to $149,057. [A list of the occupations represented by these borrowers is given in the report.] During the year we have received 1,767 applications for loans amounting to $229,776. We have had to decline a number of our loans because we did not regard them as within the scope of our business, belonging, as we thought, to regular commercial institutions.
>
> We have taken up 1,150 loans made by "money-sharks" during the year, with interest charges ranging from five per cent. to twenty-five per cent. per month. Saving in interest charges to the borrowers, on the basis of our transactions, reaches approximately the astonishing figure of $75,000. In other words, our borrowers would have paid $75,000 interest during the year and at the end of the year would have owed the principal. Again, $75,000 would have been taken from our borrowers and put into the pockets of the money-sharks. . . . We do not hesitate to say that better citizens have been made out of hundreds of them because of their contact with our bank. We make this statement upon the strength of hundreds of letters we have received from our borrowers and upon the personal testimony of many of them to the officers and others connected with our bank.

Referring to the borrowers, Mr. White states:

> They do not want charity, nor do they need charity. They want only a decent chance to conduct their small business on a living scale. This they are entitled to . .

> . . Our Company seeks to supplant the money-shark and place men whose service and skill make values, upon something like terms of equality with more favored members of society, and I am glad to say that in Atlanta . . . . the intelligence and conscience of its citizens have determined that the inequalities which have heretofore existed shall no longer exist; that the cruelties and inhumanities growing out of our neglect, and their needs, shall cease.

In addition to accomplishing remarkable sociological results, the Atlanta Company paid a dividend of six per cent. on the par value of its capital stock at the end of the first year, and laid aside a small surplus. During its second year the Company increased its surplus substantially, besides paying a second dividend of six per cent. At the end of its third and fourth years the Company had still further increased its volume of business and its earning capacity, and paid dividends of seven per cent., besides adding to its surplus, which is now $10,000. The Company continues to show a steady increase both in volume of business and earning power. From its organization to June 30, 1915, it had made 6,362 loans amounting in the aggregate to $803,353.

ATLANTA COMPANY'S OFFICE

BALTIMORE COMPANY'S OFFICE

BALTIMORE

Subsequent to its success in Atlanta, The Morris Plan was presented to some of the leading bankers of Baltimore. On their favorable report, investigation was made by leading business men of that city, and in February, 1912, The Mutual Loan Company was organized. Its authorized capital was fixed at $200,000, of which $100,000 was offered for sale and oversubscribed. Mr. C. I. T. Gould, the President, in his first annual report, covering eleven months of operation, states:

> The test of the plan having proved satisfactory, we are now in a position to expand and canvass the city for business, of which there is an immense volume awaiting us. . . . Has it proven helpful? Our experience during the past year has more than convinced us of the absolute necessity of some such institution as this. . . . To many [borrowers] the Mutual Loan Company has been a blessing, and we could cite many instances in which our customers have told us of the benefit it has conferred upon

them. Many have expressed the deepest gratitude for the assistance we have been able to render them in time of stress and necessity, when the weekly income needed to be replenished.

At the end of the first eleven months, loans aggregating $316,000 had been made, and after the usual deductions and setting aside a reserve of $1,000, there was a net earned surplus of $5,899.29. From its organization to June 30, 1915, the Company had made 7,105 loans amounting in the aggregate to $1,145,050.

BALTIMORE COMPANY'S OFFICE

WASHINGTON COMPANY'S OFFICE

WASHINGTON

Following the successful experience in Baltimore, it was determined to establish a Morris Plan company at Washington, D. C. Mr. Frank S. Bright, an attorney of that city, was the pioneer in this movement. The Fidelity Savings Company, Inc., was organized under the supervision of the Comptroller of the Currency, who had approved the plan of organization. The institution opened for business in July, 1912. Its success merely repeats that of its predecessors. In May, 1914, after less than twenty-four months' operation, the Company had made 4,206 loans amounting to $631,925, averaging about $151 each. The Company paid its first dividend in January, 1914, and had accumulated a surplus of $10,419.92, after having charged off $5,000, or one-half of its organization expense. Its

losses from bad debts have not exceeded $60. Its stock has sold in the local market at $140 per share. From its organization to June 30, 1915, it had made 8,251 loans amounting in the aggregate to $1,197,150.

GENERAL DEVELOPMENT OF THE MORRIS PLAN

The success of these pioneer companies in Norfolk, Atlanta, Baltimore, and Washington had attracted wide attention. A Morris Plan institution seemed to have become a municipal necessity, and requests for the organization of such companies were frequently received. A corporation was organized in July, 1912, for this purpose, known as the Fidelity Corporation of America. In less than two years after it began business, Morris Plan companies were organized in ten additional cities. To-day the plan is being operated by the following organizations:

WASHINGTON COMPANY'S OFFICE

City	Name of Company	Date of Opening
Norfolk, Va.	Fidelity Savings & Trust Company	March 23, 1910
Atlanta, Ga.	Atlanta Loan and Saving Company	June 19, 1911
Baltimore, Md.	Mutual Loan Company	February 1, 1912
Washington, D. C.	Fidelity Savings Company, Inc.	July 10, 1912
Richmond, Va.	Fidelity Loan and Savings Company	November 4, 1912
St. Louis, Mo.	Industrial Loan Company	January 2, 1913
Memphis, Tenn.	Industrial Bank and Trust Company	February 1, 1913
Charleston, S. C.	Charleston Fidelity Corporation	March 4, 1913
Columbia, S. C.	The Homestead Bank	April 2, 1913
Springfield, Mass.	Industrial Loan Company of Springfield	May 1, 1913
Denver, Colo.	Economic Loan and Investment Company	May 14, 1913
Philadelphia, Pa.	Pennsylvania Loan Company	June 9, 1913
Lynchburg, Va.	Citizens Savings and Loan Corporation	July 22, 1913
Portsmouth, Va.	Industrial Loan Corporation	April 1, 1914
Nashville, Tenn.	Morris Bank of Nashville	August 25, 1914
New Haven, Conn.	New Haven Morris Plan Company	December 18, 1914
New York City	The Morris Plan Company of New York	December 31, 1914
South Bend, Ind.	The Morris Plan Company of South Bend	January 20, 1915
Hartford, Conn.	The Hartford Morris Plan Company	March 11, 1915
Bridgeport, Conn.	The Bridgeport Morris Plan Company	April 19, 1915
Salisbury, N. C.	Salisbury Morris Plan Company	May 3, 1915
Worcester, Mass.	The Worcester Morris Plan Company	May 24, 1915
Springfield, Ohio	The Springfield Morris Plan Company	June 5, 1915

By May 31, 1915, twenty-two companies operating The Morris Plan had loaned in the aggregate $8,778,262 to 70,677 borrowers.

THE INDUSTRIAL FINANCE CORPORATION

The Morris Plan became a reality with the opening of the Fidelity Savings & Trust Company, of Norfolk. Early scepticism soon gave way to conviction; prediction became demonstration. Opinions as to what could or could not be done were replaced by the testimony of actual accomplishment. The plan stood every test, and the results accomplished justified the claims of those who had believed in it from the first. At the same time this experience taught many things.

It became apparent, in time, that in following the principles of industrial banking abroad, all institutions operating The Morris Plan, in order to insure their maximum efficiency, should have opportunity to enjoy the coöperation and assistance of a strong central organization, national in scope, that would standardize every detail of their operations; an organization that would not seek to control an individual company, but would coöperate with it in order to insure its maximum success through its own local management.

It seemed desirable, also, that such a central institution should have a substantial financial interest in each company, which would justify and perpetuate this coöperative assistance, preserve the integrity of the system, and improve the operation of the plan. It seemed wise that the national organization should become a clearing-house through which the results of the experience of each company could be made known to the others for the benefit of all, and act as an adjuster of balances in order that the surplus funds of

RICHMOND COMPANY'S OFFICE

local companies might be economically cared for and loaned to other Morris Plan companies, an equilibrium being thereby maintained between supply and demand for money. It seemed essential that such a corporation should be conducted upon business principles and not as a philanthropy, for thereby it was believed that its successful operations, involving vested interests, would be more secure and their results permanent.

These were the considerations that led to the formation of the Industrial Finance Corporation, which was chartered under the laws of the State of Virginia, with authorized preferred stock of $5,000,000 and authorized common stock of $2,000,000. It began business on June 1, 1914, in its general offices in New York City, with $1,000,000 of preferred and $500,000 of common

stock subscribed. A portion of this stock was underwritten without expense to the Corporation or profit to the underwriters, and is reserved for those who may become interested in the organization of local Morris Plan companies, or who desire to aid in the development of this plan of industrial finance.

The names of its officers and directors appear at the beginning of this pamphlet. Its first act was to acquire the assets of the Fidelity Corporation of America, which included all the proprietary rights to The Morris Plan, all copyrights covering every expression and form used by it, also its contracts with, and minority interests in, the companies then operating the business. The Corporation will continue to assist in the organization of companies in all important cities of the country, and to provide part of the capital necessary for this purpose.

ST. LOUIS COMPANY'S OFFICE

POSSIBLE DEVELOPMENT OF THE MORRIS PLAN PROPOSED BY THE INDUSTRIAL FINANCE CORPORATION

INDUSTRIAL INSURANCE

Experience has shown large possibilities for the development of industrial insurance in connection with the operation of The Morris Plan. The expense of such business results largely from the cost of placing the insurance and the collection of premiums. This cost can be greatly reduced by the system under development. It is believed that a plan may be devised for the insurance of borrowers which will result in large benefit to the patrons of Morris Plan institutions and in profit to all in interest.

A small addition, for insurance, to the weekly instalment payments made by borrowers will secure to the patron of the institution the satisfaction of knowing that his co-maker will not be called upon to pay his debt, and that his family may have something to fall back upon, in the event of his death.

REDISCOUNTING ARRANGEMENTS

To secure an equilibrium between supply and demand for money in different local companies, the Corporation further contemplates the perfecting of an arrangement by which Morris Plan companies needing funds, pending the sale of additional stock or certificates of investment, may be accommodated temporarily, and other companies having surplus funds may be enabled to loan them temporarily, on terms and under conditions satisfactory to both borrowing and loaning companies, with the purpose of furthering the development of The

Morris Plan in accordance with the needs of the public for loans and investments in every locality.

INVESTMENTS IN SMALL DENOMINATIONS

When the system of Morris Plan companies has been sufficiently extended to warrant it, the Industrial Finance Corporation will consider the development in this country of the field of small investments, which has been cultivated abroad with such a remarkable effect upon economic conditions. In those communities where industrial banks have encouraged frugality and saving, and have offered reasonable and economic credit facilities, the results have been remarkable. In France, for example, habits of frugality and thrift have developed as nowhere else. Public securities in great volume have been sold to small French investors, who, as one expert on the subject has expressed it, are as familiar with the quality and safety of bonds which they buy in denominations as small as $10, as they are with the price and fashion of shoes.

When our people have been educated to save their money, and have learned how their earning capacity may be capitalized, why should not American wage-earners be as thrifty as the French and, like them, habitual investors in public securities issued in small denominations?

HOW MORRIS PLAN COMPANIES ARE ORGANIZED

The Industrial Finance Corporation is prepared to assist in the organization of Morris Plan companies throughout the United States where the size and character of the community call for the facilities they afford. Usually the initiative in the organization of a company to operate The Morris Plan has come from citizens of

ST. LOUIS COMPANY'S OFFICE

the community who are familiar with the success of one or more of the existing companies. Inquiry is made of the Industrial Finance Corporation, and, upon the suggested locality commending itself to the judgment of the Corporation's officers, a careful survey is made to determine the opportunity for the successful development of the Plan.

The Corporation then invites the coöperation of those of the highest type of citizenship, and when sufficient interest has been awakened to warrant further procedure a meeting is called at which officers of the Corporation present The Morris Plan in detail and outline the course to be adopted in the organization of a local company. A committee on organization is formed which, after any further investigation its members may see fit to make, undertakes the formalities of organization

No. 000

THE MORRIS PLAN

AMOUNT OF SUBSCRIPTION
SHARES

RECEIPT FOR SUBSCRIPTION PAYMENTS FOR STOCK OF THE

Morris Bank of Nashville

NASHVILLE, TENN.

THIS IS TO CERTIFY that the MORRIS BANK OF NASHVILLE has received from the sum of dollars ($), being the first payment of twenty per cent. (20%) of his subscription for shares of the capital stock of the said Bank, par value One hundred dollars ($100.00) each. Upon the completion of payments upon the above subscription, and upon surrender of this receipt duly endorsed by the above named subscriber, said subscriber shall be entitled to receive certificates for shares of the capital stock of said Bank to the full amount of said subscription. All transfers of the interest represented by this receipt must be duly recorded upon the books kept for this purpose by said Bank

MORRIS BANK OF NASHVILLE

Nashville, Tenn., , 19

BY , PRESIDENT

THE MORRIS BANK OF NASHVILLE HEREBY ACKNOWLEDGES RECEIPT OF ADDITIONAL PAYMENTS ON ACCOUNT OF THE ABOVE SUBSCRIPTION AS FOLLOWS

INSTALLMENT , 191	INSTALLMENT , 191	INSTALLMENT , 191
$ SECY. TREAS.	$ SECY. TREAS.	$ SECY. TREAS.
INSTALLMENT , 191	INSTALLMENT , 191	INSTALLMENT , 191
$ SECY. TREAS.	$ SECY. TREAS.	$ SECY. TREAS.

RECEIPT FOR PAYMENT OF STOCK SUBSCRIPTION, SHOWING CHARACTER OF EQUIPMENT PROVIDED BY THE INDUSTRIAL FINANCE CORPORATION

in coöperation with the representatives of the Corporation, under the terms of a preliminary contract. This in time is followed by the execution of an operating contract, when the company comes into corporate existence.

The amount of capital, proportionate to the size of the community, is agreed upon and the committee coöperates with the representatives of the Corporation in securing subscriptions to the stock of The Morris Plan company. This stock is sold to subscribers at not less than ten per cent. above par, payments to be called for as needed. The Corporation becomes a subscriber for this stock on the same terms as are offered to other subscribers.

The Corporation's representatives assist in choosing a proper site, aid local counsel in obtaining a charter for the company and, if desired, assist in choosing proper officers. The Corporation then provides a full equipment for the operation of The Morris Plan, and when the company is ready for business the Corporation's representatives install the system, superintend its inauguration, and instruct the officers and employees in the operation of The Morris Plan, open the books and direct the proper method of making loans, and generally supervise the business of the company for a period of two weeks, or longer if necessary. All the expenses of organization of every nature are borne by the Industrial Finance Corporation.

At the first meeting of the Board of Directors of the new company an operating contract is entered into, which outlines and determines the relation of the new company to the Industrial Finance Corporation and provides for the payment of the organization fee.

STANDARD STOCK CERTIFICATE, SHOWING CHARACTER OF EQUIPMENT PROVIDED BY THE INDUSTRIAL FINANCE CORPORATION

ITEMS OF EQUIPMENT PROVIDED BY THE INDUSTRIAL FINANCE CORPORATION

Rules and Regulations for Operation of Morris Plan
Suggested By-Laws
Detailed Explanation of Accounting System
Data for Local Press
Manila Covers for Pass-Books
Cash Book
Journal
Loan Register
General Ledger
Certificate "B" Ledger and Transfer Book
Expense Distribution Book
Trial Balance Book
Indexed Minute Book
Book of Receipts for Payment of Stock Subscriptions
Form of Stock Subscription Call
Book of Capital Stock Certificates
Stock Ledger and Transfer Book
Instalment "C" Certificate
Pass-Book
Certificate Ledger Cards
Instalment "C" Certificate–assigned
Pass-Book
Certificate Ledger Cards
Loose Leaf Scrap-Books
Daily Cash Blotters
Binder for Daily Cash Blotters
Application Blanks
Binders for Application Blanks
Notes
Co-makers' Signature Forms
Approved Application Forms
Rejected Application Forms
Form Transmitting Note
Counter Checks
Delinquent Notices for Makers
Delinquent Notices for Co-makers
Folders Descriptive of Morris Plan
Directors' Meeting Notices
Blanks for Assignment of "B" Certificates
Small Envelopes
Small Return Envelopes
Large Envelopes
Large Return Envelopes
Letterheads
Liability Index Cards
Weekly Report Forms
Monthly Report Forms
Receipts and Disbursements
Resources and Liabilities
Customers' Index Cards
Liability Record Card Guides
Seal and Press
Rubber Stamp Seal
Class "B" Certificates—Four Denominations
Set Numbering Machines with Day Affix
Numbering Machine
Ledger Dater
Line Dater
Paid and Date Stamp
Ink Pads
Stamp Pad Ink
Self-Inking Steel Dater
Check Spindle
Morris Plan Gummed Labels

Other forms for increased efficiency and convenience of operating companies are being devised from time to time by the staff of the Industrial Finance Corporation.

EARNINGS ON THE MORRIS PLAN

A Morris Plan company declares dividends on a book value computed by adding to the par value of the capital stock the surplus laid aside from earnings. A cash dividend not exceeding six per cent. per annum is paid on this book value annually or semi-annually. The book value should constantly increase and the return to the stockholders, based upon this increment, should result in increasing cash dividends.

CHARLESTON COMPANY'S OFFICE

The earnings of a Morris Plan company are derived from the interest charged borrowers in the loaning of its capital and other resources obtained from the sale of investment certificates, and the method by which its resources are being constantly turned over through a compounding process. These earnings have been satisfactory because of the practice of reloaning the borrowers' weekly payments on instalment certificates purchased and pledged as collateral, and likewise reloan-

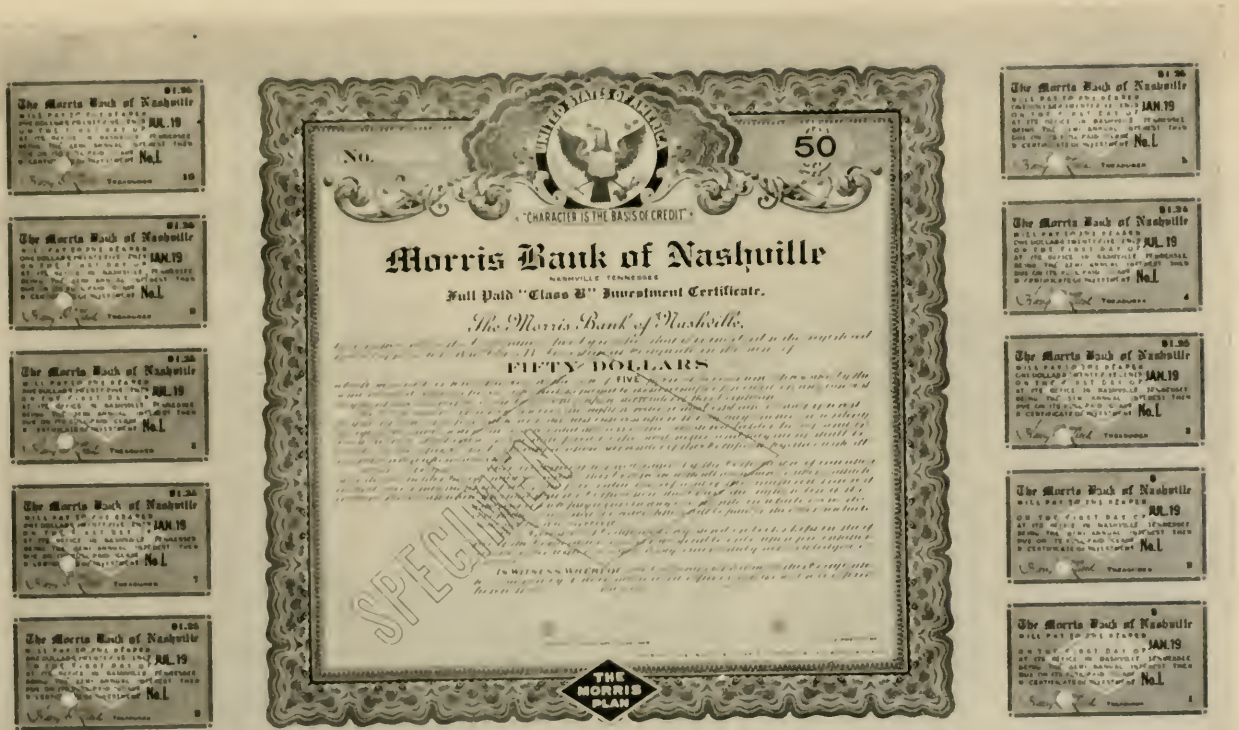
ing the interest that is deducted in advance on each loan. This will be made apparent by the following description of how loans are made.

HOW LOANS ARE MADE

A $100 loan, for example, is made as follows:

The borrower gives his note with two co-makers for $100, due one year after date, and pays interest at the legal rate in advance—say $6. By some companies a fee of $2 is charged to cover the actual cost of investigating his application and the standing of his co-makers. He then agrees to purchase, at the rate of $2 per week for fifty weeks, a "Class C" Instalment Investment Certificate. This certificate, which bears no interest when hypothecated, is assigned as collateral for the loan. At the end of fifty weeks the borrower has paid $100 on this certificate. Two weeks later his note falls due. He can then withdraw the $100 paid on the certificate and pay the note, thus closing the transaction. He also has two other options hereinafter explained.

From the foregoing description of how loans are made, it will be seen that each week the Morris Plan company receives from borrowers, by payments on "Class C" Investment Certificates, purchased and pledged as collateral, an amount equal to two per cent. of outstanding loans. Therefore, in addition to loaning the amount of its capital at six per cent. the company reloans two per cent. of each loan each week. It also reloans the aggregate amount of interest deducted in advance. This process enables the company to earn a gross profit on each dollar of capital at the rate of 13 to 14 per cent., according to the activity with which its funds are turned over.



PAID-UP "CLASS B" INVESTMENT CERTIFICATE ISSUED IN DENOMINATIONS OF $50, $100, $500 AND $1,000, SHOWING CHARACTER OF EQUIPMENT PROVIDED BY THE INDUSTRIAL FINANCE CORPORATION

THE MORRIS PLAN
THE MORRIS PLAN
THE MORRIS PLAN
THE MORRIS PLAN
THE MORRIS PLAN
NOTICE NO WRITING ON THIS CERTIFICATE EXCEPT BY AN OFFICER OF THE CORPORATION
CLASS B
CERTIFICATE OF INVESTMENT
The
Morris Bank of
Nashville
50
5
INTEREST PAYABLE
JULY AND JANUARY
AT THE
MORRIS BANK OF NASHVILLE
NASHVILLE TENN
THE INTEREST ON THIS CERTIFICATE CEASES TO ACCRUE ON THE DUE DATE OF THE LAST COUPON HERETO ATTACHED. THIS CERTIFICATE SHOULD THEN BE SURRENDERED TO THE CORPORATION, AND A NEW CERTIFICATE ISSUED IN LIEU THEREOF
THE MORRIS PLAN
THE MORRIS PLAN
THE MORRIS PLAN
THE MORRIS PLAN
THE MORRIS PLAN

REVERSE SIDE OF PAID-UP "CLASS B" INVESTMENT CERTIFICATE

ADDITIONAL RESOURCES

PAID-UP ("CLASS B") INVESTMENT CERTIFICATES

Resources in addition to the capital of the company are provided by the sale of "Class B" Investment Certificates. These certificates bear interest at the rate of five per cent. per annum, evidenced by semi-annual coupons. They are issued in denominations of $50, $100, $500, and $1,000, and are sold for cash. These certificates are attractive to small investors and find a ready sale. In this way additional resources are secured on which the company is able to earn a very satisfactory profit, after paying interest on its certificates. These paid-up certificates may be cashed at any time by the holder thereof on thirty days' notice to the institution. The company may also redeem these certificates upon thirty days' notice to the holder, and reserves the right, if the Board of Directors deems it necessary, to limit the number and amount of withdrawals in any one month in conformity with the receipts of the company. These conditions are expressed on the face of the certificate.

A "Class B" Certificate can also be used as collateral for a loan to the extent of its face value without the need of other security or endorsement. Applications for loans with these certificates offered as collateral are given priority over all others. Their general ownership is, therefore, a desired evolution of the plan.

INSTALMENT ("CLASS C") INVESTMENT CERTIFICATES

Additional resources are also secured from the sale of "Class C" Investment Certificates on the instalment plan. Certificates of this class provide a systematic investment for those who have not the funds with which

to purchase paid-up certificates of "Class B." These certificates, known as "Class C," are issued in units of $50 and are paid for at the rate of $1 per week for fifty weeks. When not hypothecated they bear interest, after twenty-five payments have been made, at the rate of four per cent. on the average amount paid in, leaving a substantial profit to the company from the loaning of these funds.

As a source of earnings, the funds obtained from the sale of "Class B" and "Class C" certificates bear a relation to a Morris Plan institution and its capital similar to that which deposits bear to a bank. Morris Plan companies, however, do not receive deposits and none of their funds are subject to check.

REGARDING LOSSES

Not the least surprising feature of The Morris Plan is the safety of the capital employed, as demonstrated by actual experience. These funds are loaned on good three-name notes, secured by the earning capacity of their makers and by collateral that is growing better at the rate of two per cent. a week. Three men, whose integrity is carefully investigated, are makers on each note. Their ability to meet their obligations is first determined by a developed system of inquiry, the results of which are passed upon by the discount committee, appointed from the Board of Directors, together with the local cashier, under whose supervision the investigation has been completed, and whose recommendations thereon are made to the discount committee. Should the maker default, through death or otherwise, there remain two persons of character and earning power who can divide the liability and liquidate the loan on easy terms.

CHARLESTON COMPANY'S OFFICE

Twenty-two companies operating The Morris Plan on May 31, 1915, had made 70,677 loans, averaging $124.20 and aggregating $8,778,262.

The total number of loans outstanding on April 30, 1915, was 28,457, the total amount of money on loan at that date was $3,575,305, and the average amount per loan was $125.64. It has been clearly demonstrated that under normal conditions of patronage and management the average of loss should in no case exceed one-quarter of one per cent. This experience sufficiently demonstrates the exceptional safety of the plan.

The small list of doubtful accounts at most of the institutions shows that if the same care and attention are given to loans made to the industrial classes as are observed in ordinary commercial loans, the borrowers

will promptly meet their obligations. This conclusion is confirmed by over fifty years of experience in Europe, where the losses in similar institutions are so small as to be negligible.

A United States Government commission has found that:

> With equal prudence and intelligence on the part of the lender, loans to the industrious and economical poor are as safe as those made to any class whatever of the rich.

The Morris Plan company at Washington, D. C., for instance, which loaned during its first two years about $750,000 to 4,000 borrowers, sustained but one loss, amounting to only $60.

COLUMBIA COMPANY'S OFFICE

SPRINGFIELD, MASS., COMPANY'S OFFICE

FROM THE BORROWER'S VIEWPOINT

From the foregoing it will be seen that a Morris Plan company furnishes the small borrower with an institution from which he can secure reasonable credit in time of need.

He is allowed to create on easy terms an asset with which he can liquidate his loan, and is not required to furnish chattel mortgages or pawns. He can obtain credit even if he is a day laborer, provided he produces two of his fellow-workmen to vouch for his integrity and his earning power by becoming co-makers on his note.

Should he owe the grocer $25, the doctor $25, the undertaker $25, and some other creditor $25, the Morris Plan company will accept the endorsement of the grocer, the doctor, the undertaker, and the other creditor, limit

the liability of each to the amount he receives, and mail each creditor a check for the amount of his bill. The borrower is thus relieved of the worry of debts which he cannot pay, and is placed in a position where he can liquidate his indebtedness conveniently by small weekly payments consistent with his income.

He is also encouraged to save by the last two of the following three options that are given him at the time the note evidencing his loan matures.

I.

Take a $50 loan as an example: When his note becomes due he can withdraw the $50 paid on the "Class C" Certificate, pay his note, and close the transaction.

II.

He also has the option of paying his loan from outside sources, and converting his "Class C" Certificate into an interest-bearing ("Class B") Certificate. Sometimes he carries twice as many "C" Certificates as his loan requires, so that at maturity he may not only pay the note but also acquire interest-bearing "B" Certificates.

III.

Or, if he has not the extra funds, he may convert his "Class C" Certificate, now paid up, into an interest-bearing ("Class B") Certificate, use it as security for a new loan of $50, and pay his old note with the $50 obtained by the new loan. He needs no endorsers for his second loan, as the "B" Certificate is sufficient security.

When he takes out this second or new loan, the borrower subscribes for another "Class C" Instalment Certificate, just as he did in making his first loan. He

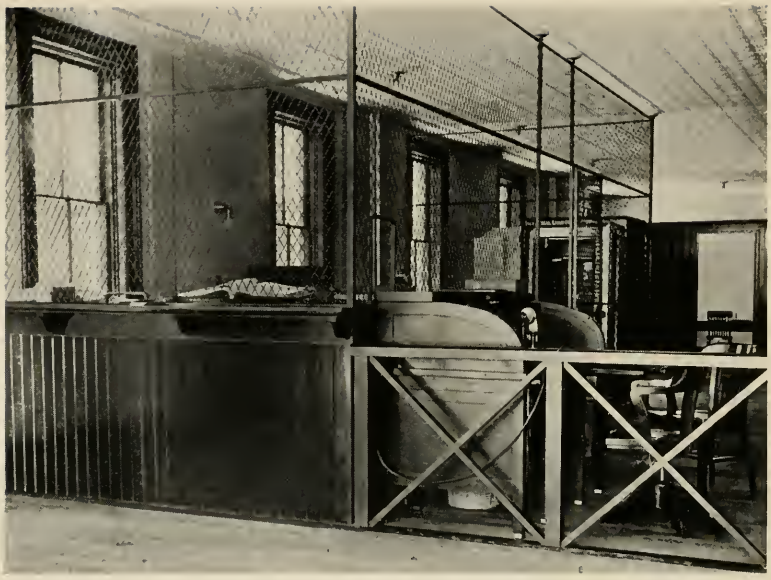
pays $1 a week on this new certificate and at the end of the second fifty weeks he withdraws the $50 paid and cancels the note. This cancellation releases his "B" Certificate from hypothecation, and he becomes the owner of a paid-up ("Class B") Investment Certificate worth $50 plus $2.50 interest. He will have started out with a liability and finished with an asset. He can borrow on this asset at any time up to its full face value without furnishing endorsers or other security.

Necessity begot a habit of weekly saving which led on to thrift.

WHAT THE BORROWER PAYS

It has frequently been asked what the borrower pays for loans on The Morris Plan. In determining this question a distinction should be made between what the borrower pays as an outlay for the money received, and what it costs him by combining what he actually pays with the interest he might receive on his weekly payments if invested. Likewise, a distinction should be drawn between the interest charged for the use of the money, and the amount of credit extended.

When $100 is loaned to a borrower on The Morris Plan, $6 interest, or the legal rate, is deducted in advance This is the interest that he pays. He does not receive, however, interest on his weekly payments, which, if computed at the rate allowed by savings banks (four per cent.), would amount to $2. If the interest, not received on the weekly payments, be computed at a six per cent. rate, which is more than any savings bank or other institution would allow, it would be $3. He likewise does not receive interest for one year on the discount deducted in advance, which in this instance would be six per cent. on $6 for one year, or 36 cents.



SPRINGFIELD, MASS., COMPANY'S OFFICE

Therefore, he pays $6, and does not receive (at the four per cent. calculation) $2.24, or (at the six per cent. calculation) $3.36.

But it has been suggested that if a man borrows $100 and six per cent. interest is deducted in advance, and he receives $94 and pays $2 per week, he only has the use of $47 for the average period of one year, and that if the use of $47 for this period costs the borrower $6, he is paying an interest rate in excess of thirteen per cent. per annum.

It is submitted, however, that the borrower under The Morris Plan does not pay thirteen per cent. The suggestion that he does results from a confusion of thought and the failure to distinguish between the average amount of money the borrower has the use of for one year and the amount of credit extended to the borrower.

The foregoing statement is computed on the assumption that the borrower has the use of $47 for the average period of one year; but if the borrower who receives a $100 loan from a Morris Plan institution should die one day after the loan is made, his co-makers would be responsible, not for $47, but for $100. Forty-seven dollars may represent the average amount the borrower has the use of for one year, but $100 represents the amount of credit extended. The cost of the loan, therefore, is synonymous with the cost of the credit extended, and the inquiry should not be what it costs for the use of $47 for the average period of one year, but what it

LYNCHBURG COMPANY'S OFFICE

LYNCHBURG COMPANY'S OFFICE

costs to obtain credit for $100. On this basis the cost has been explained above.

The discussion becomes merely academic when the subject is considered from the broad viewpoint of accommodation afforded, and the character of the small loan business. To determine the rate of interest he pays on his loan of $100,000, the merchant seldom computes interest at six per cent. on his cash balance maintained to justify the credit.

These figures do not take into consideration the investigating fee, which covers the actual cost of investigation, and which corresponds to the charge made by trust companies for investigating the value and title of real estate or other collateral offered as security for a loan. No fee exceeding $1 for each $50 loaned and no fee exceeding $5 in all is charged; and no fee is received unless the loan is made, the company assuming the risk and expense of investigating those loans which are not granted.

As to the rate for small loans which "independent commercial agencies" may reasonably charge, Mr. John M. Glenn, General Director of the Russell Sage Foundation, declares that, owing to the relative costliness of the necessary investigation, "such agencies must charge from twice to four times the ordinary commercial rates for loans."

NASHVILLE COMPANY'S OFFICE

FEATURES OF MORRIS PLAN INSTITUTIONS THAT ATTRACT THE CONSERVATIVE INVESTOR

First: Morris Plan loan and investment companies, operating independently throughout the country, enter upon a virgin field. Their loans are made to an army of industrial workers at present without credit facilities. The result is that this business to-day is virtually without competition, save from the loanshark—a pest which the whole country is interested in suppressing. No expensive advertising is required and the business comes to the bank unsolicited, whereas other financial institutions must engage in keen competition with progressive rivals.

Second: The cost of establishing a Morris Plan company is almost nominal, as the institution is not burdened with the outlay usually incident to the establishment of a new business, whether financial or mercantile. It does not require the usual expenditure of capital for expensive buildings, handsome office furniture and fixtures, or heavy stocks of merchandise.

Third: A Morris Plan institution is free from the heavy operating expenses incident to so many lines of business. It is without varied departments, and confines its operations to a single line of business that is handled by a few officers and clerks. It requires no large-salaried executives or other highly paid officers. With $100,000 capital it can operate successfully, as demonstrated by experience, at an annual expense not exceeding three per cent. of its gross business.

Fourth: Morris Plan institutions invest all their funds in loans that are becoming more secure each week at the rate of two per cent. of the amount loaned. They take no risks incident to investment in securities or real

estate. They have no occasion to carry large sums of idle money, as other financial institutions do, and are not forced to loan their funds at low rates, on call.

Fifth: Morris Plan institutions, being in no manner speculative, forego the probability of profit rather than incur the possibility of loss. They avoid the accumulation of idle funds by inserting in their investment certificates the right to redeem them from the hands of the holders on thirty days' notice, so that a balance may be kept between the demands for loans and the funds on hand.

Sixth: Having no deposits, they are "run proof."

Seventh: They are operated on the principle that "character is the basis of credit"; that if a man be of good character and can find two persons of equally good character to endorse his note, he is entitled to credit, based upon his earning capacity, as clearly as is the more prosperous business man, the discounting of whose paper has brought prosperity to many of our great financial institutions.

Eighth: Usually when the man of means gives aid to the less fortunate, there is little likelihood of the return of his funds. The purchaser of the capital stock or the certificates of investment of a Morris Plan company not only contributes to the relief successively of hundreds of worthy self-respecting citizens on a scientific business basis, and stimulates appreciation of character as essential to credit, but also secures an investment from which satisfactory return on capital is assured.

The development of The Morris Plan of industrial loans and investments is one of the most important economic and industrial movements that have been organized in this country for years. The Plan has been

most highly commended by the daily, weekly, and monthly press of the United States, as well as by a leading English newspaper. Some of the foremost men in the country have investigated it and are giving financial and moral support to the effort to make it a nation-wide success. Important men in all parts of the United States have become interested in the movement, and are Directors of the Industrial Finance Corporation or of local Morris Plan companies. No enterprise of recent date has a more valid reason for its existence, or promises larger benefit to the great body of the American people.

Although founded on business principles, The Morris Plan produces an important sociological result. By extending credit in time of need to people of small means, it lightens many a burden. By converting thousands of borrowers into property-holders, and by encouraging thrift, it exerts a material influence on the good citizenship of a community. The nation-wide extension of the Plan cannot fail to lessen current dissatisfaction with existing conditions and to quiet appreciably social unrest. The Morris Plan, wherever operated, promotes a better understanding between Labor and Capital.

It is a business foundation deserving the coöperation and support of thoughtful citizens.

PUBLIC LOBBY
THE MORRIS PLAN COMPANY OF NEW YORK

THE MORRIS PLAN COMPANY OF NEW YORK

From the moment The Morris Plan was first put into operation, it was recognized that the greatest service it could render, and the severest test it could be put to, would be experienced when it was applied in the city of New York. This was the goal its originator had in view from the first. But it was nearly five years from the day the Norfolk Company began business when The Morris Plan Company of New York, on December 31, 1914, opened its doors to the hundreds of applicants whose inquiries had been pouring in during the period of its formation.

Stimulated by unsolicited newspaper notices (unsought, because it was foreseen that no advertisement was needed to bring to its doors as many borrowers as it could care for at the start), the non-monied but

credit-worthy class came in great numbers to No. 52 William Street, where the local company had sublet a part of the premises of the national Corporation. A few days sufficed to show the inadequacy of its quarters; and within a fortnight of its opening it was necessary to establish an application bureau at No. 37 Liberty Street, to handle the crowds of would-be borrowers.

Up to June 30, 1915, seven thousand applications for loans had been considered and 2,444 loans actually made, aggregating $296,315 and averaging $121.24. To do this volume of business on a subscribed capital of only $100,000 and a surplus of $10,000, the Company sold $24,000 of its full-paid five per cent. (Class "B") investment certificates and $11,650 of its instalment (Class "C") certificates and borrowed $85,000 at current rates of interest. Its authorized capital will eventually

INTERIOR OFFICE
THE MORRIS PLAN COMPANY OF NEW YORK

be increased to $1,000,000, and steps are being taken to obtain subscriptions for the full amount. Even with this sum in hand, it will be possible to care for only a part of the small-loan business of New York. The demand for such loans, on The Morris Plan, would seem, indeed, to be virtually unlimited. By far the greater part of it is wholly legitimate, and the local company has received many proofs of the sociological value of the service rendered to its patrons, not only by lending money on fair terms, but by securing the cancellation or reduction of the claims of money-lenders who have transgressed the law.

A very large number of the loans thus far made have been of a remedial character. This may be seen by reading the statistics of the Company's business presented on page 63. And there may be seen, also, the extent to which the service of the Company has been sought by employees of the City, the County, the State and the National Government, as well as by toilers of the purely industrial class.

Among the stockholders and directors of The Morris Plan Company of New York are many of the most representative business men of the city, who serve in the same spirit (as President Towne has expressed it) in which they would serve on the directorate of a savings-bank. The Officers and Directors are as follows:

OFFICERS

Henry R. Towne	President
Herbert L. Satterlee	Vice-President
Clark Williams	Vice-President
Charles H. Sabin	Treasurer
Wallace D. McLean	General Manager
B. F. Boos	Assistant Secretary

DIRECTORS

Frederic W. Allen, Messrs. Lee, Higginson & Co.; Director, Mechanics & Metals National Bank.

William D. Baldwin, President, Otis Elevator Co.

George F. Canfield, Messrs. Satterlee, Canfield & Stone; Vice-President State Charities Aid Association.

Thomas Cochran, President, Liberty National Bank; Director, Astor Trust Co.

Raymond Du Puy, President, Virginian Railway Company.

Lewis B. Gawtry, Vice-President, Consolidated Gas Company of New York.

Thomas H. Gillespie, Vice-President and Director, T. A. Gillespie Co.

Richard T. H. Halsey, Chairman Finance Committee, New York Stock Exchange.

Edwin O. Holter, Messrs. Holter, Ingalls & Guthrie, Attorneys.

Sam A. Lewisohn, Messrs. Adolph Lewisohn & Sons.

John R. MacArthur, Messrs. MacArthur Brothers, General Contractors.

John Markle, President, G. B. Markle Co., Anthracite Coal Operators.

Arthur J. Morris, Messrs. Morris, Garnett & Cotten, Originator of The Morris Plan.

Jason A. Neilson, with Messrs. Brown Brothers & Company; ex-President, N. Y. Chapter American Institute of Banking.

James E. Russell, Dean of Teachers' College, New York.

Charles H. Sabin, President, Guaranty Trust Company of New York.

Theodore P. Shonts, President, Interborough Rapid Transit Company.

Willard Straight, Banker; President, American Asiatic Association.

Lionel Sutro, Treasurer and Director, Cathedral Realty Co.

Henry R. Towne (President), Chairman, Yale & Towne Mfg. Co.; ex-President, Merchants Association; Director, Federal Reserve Bank, New York District.

Guy E. Tripp, Chairman Board of Directors, Westinghouse Electric & Manufacturing Co.

William Turnbull, Retired Banker.

Malcolm D. Whitman, William Whitman Co., Inc.

Arthur Williams, General Inspector, New York Edison Company.

Clark Williams (Vice-President), ex-Superintendent of Banks and ex-Comptroller of the State of New York.

Charles T. Wills, Builder; Director, Garfield National Bank.

STATISTICS OF THE MORRIS PLAN COMPANY OF NEW YORK FROM THE OPENING DAY, DECEMBER 31, 1914, TO THE CLOSE OF BUSINESS ON JUNE 30, 1915

	Jan.-Feb.	Mch.-Apl.	May-June	Total
Amount loaned	$61,780	$111,300	$123,235	$296,315
Borrowers	509	919	1,016	2,444
Average	$121.38	$121.25	$121.29	$121.24

On July 1 there were but twenty-five weekly payments delinquent for more than one week.

All Loans Made by The Morris Plan Company of New York to June 30, 1915:

Size of Loan	Number of Loans	Aggregate Amount	Size of Loan	Number of Loans	Aggregate Amount
$2,000	1	$2,000	$200	242	$48,400
1,400	1	1,400	175	4	700
1,000	5	5,000	150	243	36,450
750	1	750	125	22	2,750
700	1	700	100	1,037	103,700
600	6	3,600	80	2	160
525	1	525	75	66	4,950
500	25	12,500	60	3	180
450	1	450	50	631	31,550
400	16	6,400	35	1	35
350	7	2,450	30	3	90
300	70	21,000	25	14	350
250	40	10,000			
225	1	225		2,444	$296,315

BORROWERS

	Jan.-Feb.	Mch.-Apl.	May-June	Total
Men	476	870	976	2,322
Women	33	49	40	122
Average weekly income	$27.10	$24.64	$25.80	$25.83
Married	396	663	756	1,815
Single	113	256	251	620
Unaccounted for	..	..	9	9
Supporting children	329	549	616	1,494
Number of children	832	1,526	1,574	3,932
Supporting others	382	604	685	1,671
Number of others	426	674	776	1,876
Real-estate owners	84	116	159	359

REASONS FOR BORROWING

	Jan.-Feb.	Mch.-Apl.	May-June	Total
Repay loansharks	70	73	29	172
Repay loans on pawns and chattels	20	29	23	72
Miscellaneous debts	186	255	229	670
Illness and births	95	116	198	409
Deaths	15	13	31	59
Household expenses	24	48	49	121
Tuition	8	25	22	55
Begin business	3	15	17	35
Business expansion	49	160	163	372
Purchase of home	4	9	8	21
Mortgage and interest	14	16	30	60
Taxes	13	25	36	74
Rent	8	10	10	28
Insurance premiums	9	11	23	43
Begin housekeeping	4	6	5	15
Wedding	2	6	8	16
Help relatives	5	26	30	61
Miscellaneous	9	64	97	170

CLASSIFICATION ACCORDING TO EMPLOYMENT

	Jan.-Feb.	Mch.-Apl.	May-June	Total
U. S. Government	78	110	165	353
New York City	155	193	205	553
New York County	4	7	10	21
New York State	3	7	7	17
Manufacturing	32	118	96	246
Mercantile	88	109	92	289
Financial	19	36	28	83
Insurance	27	23	25	75
Newspapers	25	51	70	146
Railroads	13	24	33	70
Steamship companies	2	5	4	11
Express	8	7	4	19
Telegraph and telephone	8	11	13	32
Oil companies	2	3	4	9
Real-estate	5	5	12	22
Contracting and building	8	5	18	31
Warehousing	1	2	8	11
Grocery	..	13	19	32
Tailoring	..	22	18	40
Printing and publishing	..	19	33	52

CLASSIFICATION ACCORDING TO EMPLOYMENT—*Continued*

	Jan.-Feb.	Mch.-Apl.	May-June	Total
Public Utilities	..	20	22	42
Stationery	..	..	10	10
Restaurant	..	..	9	9
Medicine and surgery	..	..	8	8
No business	3	8	5	16
Miscellaneous	28	121	98	247
	509	919	1,016	2,444

POSITIONS OR OCCUPATIONS OF BORROWERS

	Jan.-Feb.	Mch.-Apl.	May-June	Total
Clerks	61	92	94	247
Post-Office employees	50	73	122	245
Other U. S. employees	11	35	49	95
State department and court employees	9	7	8	24
City department and court employees	30	61	86	177
N. Y. County employees	4	..	10	14
Fire Department	55	69	74	198
Police Department	27	40	47	114
Proprietors and partners	35	167	142	344
Managers	18	22	27	67
Secretaries and stenographers	10	18	16	44
Foremen	6	13	21	40
Agents	4	14	15	33
Salesmen	23	42	48	113
Factory operators	..	46	35	81
Machinists	10	13	11	34
Inspectors	8	16	9	33
Tailors	13	12	14	39
Artisans	3	11	10	24
Pressmen, compositors, etc	12	37	59	108
Teachers	6	7	5	18
Doctors and dentists	2	4	9	15
Writers	3	6	6	15
Telegraphers and despatchers	3	12	3	18
Bookkeepers and accountants	9	22	33	64
Conductors	..	..	3	3
Miscellaneous	97	80	45	222
	509	919	1,016	2,444

REPORTS AND RESOLUTIONS OF PUBLIC BODIES

Reports and Resolutions with reference to The Morris Plan have been adopted by the following organizations, and copies may be had on application to the Industrial Finance Corporation:

Banking Committee, Board of Trade.....Springfield, Mass.
Committee, Retail Merchants Association.....Nashville, Tenn.
Chamber of Commerce.....Atlanta, Ga.
Banking Committee, Chamber of Commerce.....Birmingham, Ala.
Finance Committee, Chamber of Commerce.....Seattle, Wash.
Banking Committee, Merchants and Manufacturers Association, Baltimore, Md.
Committee, Business Men's Club.....Memphis, Tenn.
Committee of Bankers and Merchants.....New Haven, Conn.
Committee, Chamber of Commerce.....Los Angeles, Cal.
Committee of Bankers and Merchants.....South Bend, Ind

STRIKING COMMENDATIONS BY THE PRESS

The following brief extracts from articles on The Morris Plan show how cordially it has been endorsed by the public press. Reprints of some of these articles and copies of any of them may be had on application to the Industrial Finance Corporation.

A most promising enterprise of sound, lasting, and expanding beneficence. . . . The Industrial Finance Corporation will lend only for actual needs and on reasonable assurance of repayment. It will restrain rather than tempt borrowers, and will seek to aid them toward better conditions. Another benefit planned by the Corporation is the opportunity to invest small savings at higher returns than are now to be secured with safety, thus encouraging thrift and building up a basis of useful credit.

New York Times

People of great wealth who have the public interest at heart could not do a better thing with their money than invest it, as they are doing, in the new financial corporation. *New York Evening Mail*

The practical details of the nation-wide system of small loans with which the Industrial Finance Corporation is to break the tooth of usury, are as commendable as is the general spirit of the undertaking. . . . It should become a vast banking scheme among the industrial population, serving many purposes besides war upon the loansharks. *New York Evening Post*

There is a poor way to fight usurious loan agents, which is to rely on repression and criminal prosecution. There is a better way, which is to recognize that the business of furnishing small loans is legitimate and necessary, and to try to render that service more cheaply and efficiently. One way always fails; the other may succeed. The Industrial Finance Corporation is to try the right way. . . . To furnish poor men loans without unreasonable charges, and to aid them in using their joint credit for the purpose, is about as useful a task as intelligently directed capital can undertake. . . . From the standpoint of a person having money to invest, The Morris Plan banks afford a safe and profitable opportunity. *New York World*

We have here a loan system of demonstrated practicability, which cannot enmesh the poor, which preserves the self-respect of its patrons and supplies them with every legitimate encouragement for thrift. . . . There is no reason why the loanshark should not be banished entirely by this new and better credit system. *Philadelphia Evening Telegraph*

An excellent plan, capable of wide application.—*Chicago Herald*

The banks of the Industrial Finance Corporation will fill a field distinct from that of the various remedial loan associations which have been organized in many cities to fight the loanshark. These loan almost entirely on chattels and, in the words of the founders of the new corporation, "do not touch the larger field where usury continues to thrive." *The Survey*

The danger and cruelty of the loanshark business have long been recognized and admitted by useful citizens, but the prohibition of the business solves only one phase of the problem. *Washington Evening Star*

Every city needs an institution of this kind.—*The Independent*

The plan is not one of charity, but of aid upon good business lines; and it is on lines which promise a reasonable profit to the capital invested, a profit in which the borrower is invited to share through the interest-bearing certificates that are offered to him on easy terms. *Financial Chronicle*

It is gratifying to note that so many bankers of national reputation are actively participating in this project. Philanthropic enterprises are all right, but they must be managed on business principles, or they are doomed to failure from the start. *American Banker*

We are rapidly building up a financial and banking system in this country. The Federal Reserve Banks, land-credit banks, and the Industrial Finance Corporation, all constitute important links of the chain. *The Bankers' Magazine*

A majority of the owners of the $7,000,000,000 lying in our savings banks to-day are virtually unable to borrow money. They may spend their savings, but they cannot borrow on them. Only in a few favored cities can they turn their character and earning power into collateral. *New York Times Annalist*

There are millions of people old enough and productive enough to have a bank account who know nothing about what banks can do for them. The Morris Plan meets them more than half way. It does this not only by making loans to an industrious person whose character and credit is vouched for by two fellow citizens, but it does something more—it develops its borrowers into depositors and investors, making them not only the employers of capital but the sources of capital supply and the promoters of social welfare. This plan spells a funeral to the loanshark business. *Wall Street Journal*

There is a real need for some agency which will furnish to employees loans based on their salaries, but at reasonable rates. *Dry Goods Economist*

Those who constitute the organization committee, those who are supporting its efforts, and those who are announced as directors of the Corporation, include representatives of finance and business interests whose character and standing are beyond all question. *New York Journal of Commerce*

It proposes to aid in uplifting through giving a firm ground to individual exertions; it will work for betterment, not for pauperizing. *Insurance (New York)*

Nothing can supply a greater need of the times. *Rochester Herald*

There has been organized in the city of New York a financial institution of a novel character, destined to bring banking facilities within the reach of thousands of Americans to whom such facilities have hitherto been denied. . . . Only those who know something about the practices of the loansharks can appreciate the legitimate need of a bank prepared to lend money on an ordinary commercial basis to the small borrower. *The Outlook*

There is room—there is a crying need—for a similar institution in every city of one hundred thousand inhabitants or over. *The American Magazine*

The Morris Plan is based absolutely on sound business. It fills the gap which has existed between the banks and trust companies on one hand and the philanthropic chattel-mortgage companies on the other. *Business America*

Hosts of testimonials as to the system's reducing the loanshark evil come from cities where such institutions have been founded.
New York Globe

It is to meet the necessity of borrowing that honest and industrious men are sometimes subject to, and save them from the grip of loan-sharpers and money-sharks. *Boston Evening Transcript*

The Industrial Finance Corporation has a wide field of usefulness. *The Youth's Companion*

There was a need in the social state, of which the loansharks took advantage, that is now to be met sensibly and in a fashion to advantage both the borrower and the lender. This is a good business and a distinct aid to citizenship. *Springfield Republican*

There is need in every community for such a bank.
Hartford Post

If this plan works out as demonstrated by comparatively short experience, there can be no harm in benefiting the lender as well as the borrower. The main thing is that a systematic effort, under intelligent management, is making to lift unfortunate borrowers out of the trouble they sink into when the sharks get after them.
Hartford Courant

After a thorough investigation of The Morris Plan by the bankers and business men of the city, it has been decided that such an institution would be a great benefit. *New Haven Union*

The enterprise is not a charity, but expects to pay annual dividends of six per cent. . . . This, in our estimation, is one of its most admirable features. It stamps the venture as economic, and upon economic foundations alone can be built structures of lasting and uplifting helpfulness. *Philadelphia North American*

The project commends itself to all who have at heart the welfare of the deserving man in need. *Milwaukee News*

The plan has worked successfully. *Philadelphia Press*

The new institution is, happily, not of the avowed philanthropic character. It does not give something for nothing. On the contrary, it is based upon good business principles. *St. Louis Times*

A distinct advance in civilization, which—it is to be hoped—has come to stay. *Augusta (Ga.) Chronicle*

The establishment of the Industrial Finance Corporation means that the relief extended to people of small resources in Atlanta is now to be extended to people in the same class the country over. The importance of that benefaction cannot be over-estimated.
Atlanta Constitution

If this does not succeed in putting the loansharks out of business wherever these banks are established, the attempt might as well be given up and the shark accepted as a permanent institution.
Omaha World-Herald

The loanshark will be driven out of business only when he is confronted with competition which meets him on his own ground and advances money at reasonable rates. *Providence Journal*

There is no doubt that the scheme is entirely sound and practical. *The Chautauquan*

The principles of the plan have been long tested in Germany, Austria and Italy. It means a new line of battle against the loansharks. *Chicago News*

Seems to be the ideal solution for the elimination of the loanshark. *Colorado Springs Gazette*

The need of such an institution is so obvious as to be universally admitted. *Manchester (N. H.) Leader*

The system has been demonstrated to be practicable. It preserves the self-respect of its patrons and supplies them with every legitimate encouragement to thrift. *Albany Press*

The social and moral effect of this plan has a definite value in the progress of the community. *Industrial Outlook*

The project is one that will be of vast benefit to this community.
South Bend (Ind.) Tribune

The Morris Plan of loaning money to the small borrower is a direct smash at the loanshark. *South Bend (Ind.) News-Times*

The possibilities for social benefit and also for increased business in this great, untapped field of credit, are incalculable.
Richmond Virginian

The Morris Plan Bank has a soul of its own and sees beyond money as a single source of character. . . . The warmth and glow which this vision of banking introduces into the general scheme of financial indulgence should in time soften a bit the vision of the conventional bank, and perform a service which cannot but help to raise very greatly local standards of civic honor and content.
New Haven Journal-Courier

If prudently and honestly managed, these "poor men's banks" will be of inestimable value to wage-earners, helping many a struggling man over a hard place, and saving him from the clutches of the loansharks and pawnbrokers. *Montreal News*

The Morris Plan is no longer an experiment. It has behind it a great and growing good-will, and its mechanism is so extremely simple that it lends itself readily to village and also to town banking. . . . Is it not possible that presently we may get a Parliament that will find time to discuss a safe, sane and State-assisted scheme on the lines of The Morris Plan?

Moreton Frewen, in London Morning Post

This is a straight business venture. It is not philanthropy on the part of the stockholders of the company, nor charity to the borrowers. Nevertheless, it is one of the best and surest ways yet discovered to rid the community of the loanshark.

New York Tribune

The Nemesis of loansharks. *New York Herald*

It is a system of banking which does for the small borrower what the Federal Reserve Plan does for the great commercial and financial interests of the nation. *Albany Argus*

Has already been successfully tried in a dozen states.

Publishers' Weekly

The moral of these Morris Plan Companies is that there is need and room in every community for a bank where the small borrower can obtain help, with his character and integrity as assets.

Minneapolis Journal

To the man of moderate means, the toiler whose daily wage attracts no attention from the income tax collector, the spread of the Morris banks is of more interest than any recent development in American commercial circles. . . . The success of the enterprise and its future growth should be of great interest to those who are trying to bring equal business privileges to all social classes.

Epworth Herald

If this does not succeed in putting the loansharks out of business, the attempt might as well be given up and the shark accepted as a permanent institution. *Omaha World-Herald*

DIRECT TESTIMONY

Copies of letters from the officers of Morris Plan institutions, appreciative testimonials from their customers, and disinterested opinions expressed to investigating committees may be seen on application to the Industrial Finance Corporation, 52 William Street, New York.

DIRECTORS *of* MORRIS PLAN COMPANIES

Albany, N. Y.—The Morris Plan Company of Albany

Hildreth J. Ackroyd
William L. Austin
Walter W. Batchelder
John A. Becker
Horace S. Bell
Ledyard Cogswell, Jr.
James C. Farrell
Malcolm S. Fearey
Frank B. Gilbert
Frank C. Herrick
Samuel Hessberg
Thomas Hun
Edward J. Hussey
Henry H. Kohn
Fred E. Linder
Wm. T. Mayer
Donald McDonald
G. William McEwan
Jonas Muhlfelder
William J. Mullin
S. Lyman Munson, Jr.
Russell E. Sard
Francis A. Shields
John K. Spender
Alfred J. Sporborg
George W. Stedman
Luther H. Tucker
Thomas I. Van Antwerp
James R. Watt
James A. Wendell
William A. Wheeler
*Chas. L. A. Whitney
Clark Williams

Atlanta—Atlanta Loan & Saving Company

C. B. Bidwell
John A. Brice
J. Epps Brown
Joseph F. Burke
E. C. Callaway
H. R. Durand
Leon Eplan
R. E. George
Thomas K. Glenn
Francis E. Kamper
V. H. Kriegshaber
J. Fred Lewis
Joseph C. Logan
Brooks Morgan
C. P. Murphy
F. J. Paxon
J. Carroll Payne
H. N. Randolph
T. R. Sawtell
Philip Weltner
R. W. Wessels
*W. Woods White
John A. Whitner
B. L. Willingham

Baltimore—Mutual Loan Company

Henry F. Baker
Fred A. Dolfield
E. Edmunds Foster
*C. I. T. Gould
Frank H. Gunther
Paul G. L. Hilken
John J. Kelly, Jr.
Harry M. Mason
William H. Matthai
C. Wilbur Miller
Stuart Olivier
Aubrey Pearre, Jr.
Carroll W. Rasin
Redmond C. Stewart
James S. Whedbee

Bridgeport—The Bridgeport Morris Plan Company

W. R. Bassick
Nath'l W. Bishop
Fred'k C. Blanchard
Arthur W. Burritt
David S. Day
Harry H. DeLoss
George H. Edwards
Thos. L. Ellis, M.D.
Samuel M. Hawley
Robert S. Hincks
John G. Howland
John T. King
*Fred'k J. Kingsbury
William P. Kirk
Walter B. Lasher
Egbert Marsh
Horace B. Merwin
John S. Pullman
Frederick Rhodes
Charles G. Sanford
Ralph Sanger
Hamilton S. Shelton
De Ver C. Warner
De Ver H. Warner
D. Fairchild Wheeler

Charleston—Charleston Fidelity Corporation

W. S. Allan
G. B. Buell
A. J. Buist, M.D.
J. T. Coleman
W. S. Cook
W. L. Douglas
T. J. Hamlin
*Tristram T. Hyde
W. S. Lanneau
C. L. Legerton
W. J. Leonard
L. S. Letellier
D. L. Maquire, M. D.
W. H. Mixson
Leland Moore
W. A. Moore
T. W. Passailaigue
J. S. Pinkussohn
H. E. Raines
R. C. Richardson
A. R. Rugheimer
P. S. Sanders
Wm. Schirmer
E. Mitchell Seaboard
Joseph A. Storfer
J. Henry Stuhr
W. R. Thompson
W. H. Walsh
J. V. Weston
R. W. Whaley

*President.

Columbia, S. C.—The Homestead Bank

Christie Benet
R. J. Blalock
Will Evans
James A. Hoyt
Fitz Hugh McMaster
*Robert Moorman
H. T. Patterson
W. M. Perry
Robert V. Read
H. E. Thompson

Denver—Economic Loan & Investment Company

Frank J. Alexander
Howard F. Crocker
Frank E. Edbrooke
William H. Kistler
Hiram T. Lamey
George W. Gano
*Edwin S. Kassler
Frank L. Woodward
Willis F. Wolff

Hartford—The Hartford Morris Plan Company

D. Newton Barney
*Louis R. Cheney
Chas. Hopkins Clark
Charles B. Cook
Francis R. Cooley
Ralph W. Cutler
Frederick W. Davis
George R. Ford
Richard J. Goodman
Walter L. Goodwin
Thomas Hewes
Joseph H. King
Shiras Morris
Ralph Sanger
George G. Williams
Isidore Wise
Daniel M. Wright

Lynchburg, Va.—Citizens Savings & Loan Corporation

George E. Caskie
John W. Craddock
*David Dreyfuss
C. M. Guggenheimer
Don. P. Halsey
Major. S. P. Halsey
Richard Hancock
N. B. Handy
L. Lazarus
Walter Smith
John Victor

Memphis—Industrial Bank & Trust Company

I. D. Block
John P. Bullington
J. N. Cornatzar
E. W. Ford
J. Goldsmith
*R. O. Johnston
Thomas B. King
Joseph B. Kirby
H. H. Litty
A. R. Porter, M. D.
W. L. Robinson
I. Samelson
F. D. Smythe, M.D.

Nashville—Morris Bank of Nashville

V. J. Alexander
Charles Brower, M. D.
T. A. Clarkson
Nathan Cohn
L. F. Davis
John P. Frank
R. H. Huddleston
Leland Hume
J. T. Jenkins
F. E. Kuhn
J. O. Leake
E. A. Lindsey
Sol Lowenstein
Charles S. Mitchell
Joe Morse
F. P. Provost
Paul Roberts
*H. L. Sperry
O. W. Staley
John A. Sullivan
H. Teitlebaum
O. J. Timothy
H. C. Walters

New Haven—The New Haven Morris Plan Company

Howard E. Adt
George J. Bassett
Frederick T. Bradley
E. G. Buckland
Eugene De Forest
Thomas W. Farnam
Wilson H. Lee
*John T. Manson
Arthur J. Morris
A. Heaton Robertson
E. P. Root
Ziegler Sargent
Thomas M. Steele
Louis E. Stoddard
Lucius S. Storrs
G. F. Thompson
Victor M. Tyler
Charles M. Walker
W. A. Watts

*President.

New York—The Morris Plan Company of New York

Frederick W. Allen
William D. Baldwin
George F. Canfield
Thomas Cochran
Raymond Du Puy
Lewis B. Gawtry
Thomas H. Gillespie
Richard T. H. Halsey
Edwin O. Holter
Sam A. Lewisohn
John R. MacArthur
John Markle
Arthur J. Morris
Jason A. Neilson
James E. Russell
Charles H. Sabin
Theodore P. Shonts
Willard Straight
Lionel Sutro
*Henry R. Towne
Guy E. Tripp
William Turnbull
Malcolm D. Whitman
Arthur Williams
Clark Williams
Charles T. Wills

Norfolk—Fidelity Savings & Trust Company

H. T. Campbell
J. H. Cofer
Raymond Du Puy
O. J. Egerton
*C. H. Ferrell
T. S. Garnett
R. R. Hicks
Charles Hoofnagle
H. M. Kerr
T. J. Latham, Jr.
J. D. Levy
B. B. Mann
Arthur J. Morris
Max Pincus
Fergus Reid
T. S. Southgate

Philadelphia—Pennsylvania Loan Company

Thomas G. Ashton, M.D.
A. J. Drexel Biddle
Samuel M. Curwen
Franklin Spencer Edmonds
William I. Forbes
John Gribbel
Howard H. Henry
*Louis J. Kolb
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